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2 SOUTHERN DISTRICT OF NEW YORK

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8 Recorded Conversation
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11 Date: September 18, 2018
12 Files: David Lev 9-18-18.m4a
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15 [REDACTED] Victim-7
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1 CORREIA: (U/I)?

2 Victim-7 Yeah, David.

3 CORREIA: Hey. How are you?

4 Victim-7 Yeah, sorry, man.

5 CORREIA: (U/I).

6 Victim-7 It's just -- it's been one of those
7 crazy days, you know what I'm saying?

8 CORREIA: Oh, I know. I know all about it.
9 Hopefully not too bad.

10 Victim-7 Yeah, well it's -- you know, it's
11 towards the end so it's -- I mean, it's only 6 o'clock.

12 CORREIA: That's true. Hopefully it'll be
13 quieter. A lot of people will take the day off tomorrow so
14 --

15 Victim-7 Yeah. Well, it's, it's one of those
16 things. But anyway, listen, I, I have a couple questions,
17 David --

18 CORREIA: Of course.

19 Victim-7 -- and I'll give you my concerns.
20 And I spoke with, with one of my money guys because --

21 CORREIA: Sure.

22 Victim-7 -- you know, honestly, I read this
23 stuff and I, and I don't know what it says. I read the
24 convertible --

25 CORREIA: Oh, understood, man.

1 Victim-7 -- convertible promissory note. You
2 might as well be telling me that we're ordering egg, egg
3 rolls and spare ribs because this stuff makes no sense to
4 me, and I don't want it to make sense to me.

5 CORREIA: Understood.

6 Victim-7 This is not what I want to do, but -
7 - here's a couple questions that I have --

8 CORREIA: Sure.

9 Victim-7 This money is going to go for a
10 convertible promissory note that's going to be convertible
11 before a certain period of time extends once you have the
12 funding to the rest of the company. Is that it?

13 CORREIA: So the way it works is, is
14 traditionally -- and I'll break it down. So quite often a
15 company will give PPM, which you may be familiar with.

16 Victim-7 Mm-hm.

17 CORREIA: Are you familiar with a PPM?

18 Victim-7 I don't know what that means. What
19 is it?

20 CORREIA: Okay, yeah. So it's just a private
21 placement memorandum. So that's when somebody buys
22 directly into a company and buys either stock or membership
23 units directly. So there's no options. It's just straight
24 in to, like, okay, I like the company. I'm going to buy in
25 and I'm going to be a shareholder or member and just

1 straight, straight transaction.

2 [Victim-7] Right.

3 CORREIA: So what we did at the beginning for
4 our shareholders and for our kind of friends and family,
5 which is I think a nicer, more flexible thing to do for
6 people, is to do a convertible note, and basically it's a
7 similar scenario but it, it gives you an option. So the
8 convertible just gives you an option to say at some point
9 if for any reason you didn't want to continue or convert
10 into equity, it would just -- it starts off as a loan and
11 then you can choose to either keep it as a loan and then at
12 the end of the term, at the end of two years, you get your
13 money back plus -- I think we put seven percent on it.

14 [Victim-7] Right.

15 CORREIA: And there is one other, there is one
16 other trigger which we put in there. So as we raise
17 \$5 million or more, that's another benchmark at which point
18 you can say I want, I want my money back, and then we would
19 buy you out at that -- pay the investment out, plus seven
20 percent annual (U/I).

21 [Victim-7] Let me ask you a question.

22 CORREIA: However, if you --

23 [Victim-7] Go ahead. I'm sorry. Go ahead.

24 You go.

25 CORREIA: Yeah, and it -- but the reason why --

1 I mean, most people -- you know, we have, I think, I could
2 be wrong, seven or eight of us, six or seven maybe, that
3 are members and have been since day one. So everyone --
4 you know, we offered the same thing, Lev and I, to these
5 other guys that are just close to us and everybody
6 converted right away. So we don't have any outstanding
7 notes. That was a few years ago. And then -- and now as
8 we're ready to move forward, we're just raising a certain
9 amount to be able to not only do the contract, which (U/I),
10 but also finalize a couple of things internally in terms of
11 the, the technology final build-out and we're ready to go.

12 [Victim-7] If I, if I --

13 CORREIA: So (U/I) --

14 [Victim-7] If I got this straight, at the
15 moment, you guys are trying to raise \$1.7 million to give
16 to [Attorney-1] for this things; is that correct?

17 CORREIA: That, that's what his contract is over
18 the year, but I mean, we don't -- we may or may not --
19 we're not going to raise that amount of money right now
20 because there's no reason to. It's broken up as an initial
21 payment and then a monthly retainer agreement.

22 [Victim-7] Uh-huh.

23 CORREIA: Which, which we can cancel if we, if
24 we were unhappy with the work or whatever, but I'm sure
25 that's not going to be the case.

1 Victim-7 Okay. Yeah, right.

2 CORREIA: And then -- but basically we are just,
3 just raising a certain amount right now to be able to
4 engage in that contract, and then also to finalize the
5 build-out of the algorithm and the, and the finalized
6 website, which has a lot of functionality to it. So
7 basically that's what we're doing right now, and then
8 probably in about -- I don't want to get all over the place
9 because I want to give you the third option on the note,
10 but probably in a couple of months, we'll probably then
11 finalize -- or maybe even less, we'll go with our PPM. We
12 won't offer anyone else the convertible note option and
13 we'll just do a PPM at a higher valuation because, you
14 know, Attorney-1 will have been on board for a couple of
15 months at that point.

16 Victim-7 Right.

17 CORREIA: And then we will, you know, finalize
18 our site, and at that point we'll raise at a higher
19 valuation, but just people that want to come straight into
20 the company.

21 Victim-7 All right, that --

22 CORREIA: But --

23 Victim-7 Here, here, here's the other
24 question that goes along with that. What -- insofar as
25 units, what, what percentage, what percentage of the

1 company at the current valuation will \$250,000 represent?

2 CORREIA: (U/I) valuation --

3 Victim-7 One percent?

4 CORREIA: -- (U/I) math equation, so I'm, I'm
5 driving right now, but yeah, it's about one percent, right?
6 So \$200,000 would be exactly one percent.

7 Victim-7 One percent, right.

8 CORREIA: So 250 would be just a little bit
9 more.

10 Victim-7 I got it.

11 CORREIA: Whatever, whatever 250,000 divided by
12 20 million is.

13 Victim-7 And if I'm, and if I'm correct,
14 because you guys are looking at this thing going from a \$20
15 million valuation to a \$50 million valuation on the high
16 end, right?

17 CORREIA: No, not the high end. It'll probably
18 go the a \$50 million valuation with him being signed on.

19 Victim-7 No, shit. Really?

20 CORREIA: Before we, before we do -- oh,
21 absolutely. And if -- yeah.

22 Victim-7 So are you, are you --

23 CORREIA: (U/I).

24 Victim-7 Is it --

25 CORREIA: (U/I) as soon as we raise --

1 Victim-7 Are you -- just a for instance, so
2 you're telling me that if I, if I put this money here and
3 then I
4 -- and then this becomes convertible to units at my request
5 or at yours or is there a specific date that I have to wait
6 for this to happen?

7 CORREIA: Sure. So that -- I want to give you
8 the third option. The third option is you can convert into
9 equity at any time.

10 Victim-7 Okay, okay.

11 CORREIA: So you don't have, you don't have to
12 keep that note open. The two triggers in which you can get
13 paid back are either at the end of the two years or once we
14 raise \$5 million. At that point, we would say to you,
15 where -- we, we can buy back your note right now. Like,
16 you would have that choice to either exercise to convert
17 into equity --

18 Victim-7 Right.

19 CORREIA: -- or get your money back plus seven
20 percent. So, for example, in about -- you know, our PPM
21 paperwork, give or take, will be done in about two weeks,
22 and then we'll go out there probably, you know, in a month
23 or so and maybe -- don't hold me to that. It could be a
24 month; it could be 60 days. We'll go out there and say,
25 okay, what -- we'll decide what we're going to raise, you

1 know, for the next phase, and at that point it'll be a much
2 higher valuation and it'll be through the PPM, private
3 placement document, that people will just be buying stock.

4 [REDACTED] Victim-7 Right.

5 CORREIA: If we raise \$5 million, let's say, in
6 December or January, you know, for example, at that point,
7 we would turn to you and say you have a right to get your
8 money back and plus seven percent, or do you want to
9 convert (U/I). Most people would convert because if the
10 company's raising that kind of money at that valuation --

11 [REDACTED] Victim-7 Hey, listen, no question. There's
12 no question.

13 CORREIA: -- (U/I). So those are your options.

14 [REDACTED] Victim-7 Right.

15 CORREIA: Yeah. It just gives you the option to
16 get your money back plus interest if you didn't like the
17 direction of the company. And if we never raised any
18 money, at least it'd be sitting there at the end of two
19 years -- we -- you know, the company would be obligated to
20 pay back the note plus seven percent, but obviously (U/I).

21 [REDACTED] Victim-7 And you, and you believe that
22 there's going to come a time when you're going to then
23 convert this into a regular -- a corporate status? Or is
24 it going to stay --

25 CORREIA: Well, it's already a corporate (U/I).

1 Victim-7 Well, no, I thought it was an LL --
2 I thought it was an LLC, wasn't it?

3 CORREIA: Oh, yeah, of course. Yeah. Like most
4 companies.

5 Victim-7 Yeah, because you're doing units
6 instead of, instead of shares. True?

7 CORREIA: Yeah, absolutely. Yep. So, I mean,
8 an LLC -- I mean, [REDACTED], but I mean in my, in my
9 experience -- I'm not quite a lawyer, but my lawyers tell
10 me I should have been.

11 Victim-7 Listen, I do, I do [REDACTED]
12 [REDACTED] bro. I don't --

13 CORREIA: (U/I). Yeah, exactly.

14 Victim-7 This is not my field, okay? You
15 understand?

16 CORREIA: No, no. I'm with you. I mean, but
17 there's, but there's benefits -- there's pros and cons to
18 both (U/I) structures, right?

19 Victim-7 Yeah.

20 CORREIA: So there's just a beneficial for the
21 first couple years of a company, generally, as a
22 pass-through directly to people tax wise, to the members.
23 And also -- excuse me. And it's also you avoid the double
24 taxation of a corporation. But, you know, if we decide to
25 go -- to take it public, which is a very, very strong

1 possibility, then we would convert immediately into an INC.
2 structure because you need to, you need to be an INC. to be
3 able to go into -- to do a public offering.

4 [Victim-7] Let me, let me ask you another
5 question.

6 CORREIA: Sure.

7 [Victim-7] How much money do you have from
8 people that are committed to this, to this venture? How
9 much money do you have that has been, like, pledged so to
10 speak at this point to come in?

11 CORREIA: That would -- to be honest with you, I
12 don't keep a ledger of that. I would say, if I added up
13 everyone who said that the second you get -- you're ready
14 to go we're in, I'd -- I don't even know. Tens of millions
15 of dollars. We don't, we don't keep a record of who is on
16 a list. Right now, we're just doing a smaller amount for a
17 couple of million dollars to be able to get, to get to the
18 next phase and (U/I) --

19 [Victim-7] No, that's kind of more my question.
20 In other words, the people that are coming in on the
21 friends and family side of this, how much money do you have
22 scheduled to raise at the moment? That, that -- you know,
23 I'm not looking for an exact number. I'm looking to see
24 how many other people are taking, taking this ride.

25 CORREIA: Are you talking about for the

1 convertible note status?

2 [Victim-7] Yes, yes. That's correct.

3 CORREIA: I probably won't -- I'd be lying to
4 you if I said I had a specific dollar amount committed. I
5 literally could tell you that probably -- I mean, if I
6 reached out to the people that have, have been along for
7 the ride in terms of waiting for us to raise money, and I
8 said to them, hey, (U/I), we want to go forward. I bet you
9 if we wanted to raise ten million we wouldn't have a
10 problem raising ten million at this valuation without,
11 without any effort.

12 [Victim-7] Sounds, sounds (U/I).

13 CORREIA: But to say that we have money
14 committed today --

15 [Victim-7] Yeah.

16 CORREIA: -- we're not raising that much, so
17 right now I've got the existing shareholders that are going
18 to put in money, so we have -- you know, we're bringing in
19 about \$1 million from them right now, and then Lev will
20 probably throw in 250, and then if you're in, that's, you
21 know, your money, and then we really probably won't raise
22 any more than that before we go to a PPM. I mean, we'll
23 probably raise about a million before we go to a PPM, and a
24 PPM will then raise the valuation. The reason to do that
25 is that you don't want to dilute yourselves, right? So we

1 don't want to dilute ourselves any more than we need to,
2 and if you become a member, I don't want -- I have a
3 responsibility to not want to dilute you.

4 So I always want to bring in the least amount of
5 money that I possible can bring in at a low valuation and
6 hopefully use that money appropriately to raise the
7 valuation. So right now, we could actually raise, say, 750
8 or a million and then with **Attorney-1** doing a (U/I)
9 announcement and strategically laying it out there, you
10 know, the valuation will go back to whomever is either
11 asked to be involved in the past first, of course, and then
12 we would, we would probably raise that in a 40, \$50 million
13 valuation (U/I). And then we would bring in maybe whatever
14 we would need at that point. Let's call it -- let's say
15 \$5 million. I don't know that we'd need that much at that
16 point, but let's say 5 million. So now, we just did
17 ourselves a huge favor. We just diluted ourselves less
18 than half as much because we went from a 20 million to a
19 50 million valuation. If I brought that same 5 million in
20 at 20 right now with the convertible note I'd be crazy
21 because I'm going to give up twice as much stock, right?
22 And everybody gets diluted (U/I).

23 **Victim-7** All right. So I'm just going to
24 ask. This is going to sound like, this is going to sounds
25 like a really stupid question to you, all right?

1 CORREIA: (U/I).

2 [Victim-7] And you're, you're probably going to
3 -- yeah, this is going to be a very stupid question, but
4 bear with me, okay? If I'm putting up \$250,000 of you only
5 raising about \$1 million, I'm getting one percent of a
6 company that's going to be coming from a \$10 million, to
7 20 million to a \$50 million, you know, valuation. Why is
8 it that my \$250,000 is only getting one percent of the
9 units?

10 CORREIA: I'll digress and say it's not a stupid
11 question. It's a crazy question, but it's not a stupid
12 question.

13 [Victim-7] Right.

14 CORREIA: And I'm smiling while I say that
15 (U/I).

16 [Victim-7] Yeah, yeah, no. I hear you.
17 Listen, listen. I'm --

18 CORREIA: (U/I).

19 [Victim-7] I'm going to give you all the
20 credibility that you need because Lev says you're okay.
21 All right? I just -- I'm going to tell you. This is what
22 I -- but it's a question that I have because it seems like
23 I'm putting up a quarter of a million dollars and getting
24 one percent of stock, but the only money you're raising now
25 is \$1 million. I should be getting 25 percent of the

1 stock.

2 CORREIA: Oh, got you. No, I'm -- I understand
3 the question. I was truly joking when I said it was a
4 crazy question.

5 Victim-7 Oh, I know. So talk to me. How
6 does that work?

7 CORREIA: So we, we put millions of dollars into
8 the company. I've spent three-and-a-half years building
9 this product; sweat, tears, blood every single day. I've
10 spent thousands of hours. Literally, thousands of hours on
11 this product.

12 Victim-7 But, but not --

13 CORREIA: I've been (U/I).

14 Victim-7 But are you -- so are you telling
15 me, just so we're clear, are you telling me that you've got
16 millions of dollars of your actual money in this thing?

17 CORREIA: Of course. Not my money, but of money
18 -- some of my money. Lev has money in it. We have other
19 other (U/I) original shareholders, of course.

20 Victim-7 So how many shareholders --

21 CORREIA: (U/I).

22 Victim-7 How many shares are outstanding
23 right now, bro?

24 CORREIA: Just like I told you, we have like
25 seven -- six -- I want to say six or eight guys, so the

1 shares

2 -- as I said the other day, I think we initially did a ten
3 million unit distribution. So we have -- I think we have
4 ten million that's outstanding. So they're divvied up over
5 all the shareholders, and then obviously if anyone new
6 comes through, we dilute those people. Everyone gets
7 diluted at the same time, right, as we bring in new stuff
8 and thus the need to -- or desire to raise a higher
9 valuation to dilute as much as possible.

10 [Victim-7] And how much --

11 CORREIA: (U/I).

12 [Victim-7] And how much money is -- has been
13 invested in this company so far overall?

14 CORREIA: I'd have to go back to be honest with
15 you, [Victim-7]. I'd say probably --

16 [Victim-7] Well, I mean, are we talking
17 millions, hundreds of thousands, tens of millions?

18 CORREIA: Oh, yeah. No, no, no. I just said
19 millions, man. I don't misspeak. Four or \$5 million
20 probably.

21 [Victim-7] No, no. Okay. No, but I'm a little
22 dense, so you've got to deal with me.

23 CORREIA: No. Come on.

24 [Victim-7] I'm telling you. Listen, if we were
25 talking, if we were talking about --

1 CORREIA: (U/I).

2 Victim-7 Listen, if we were talking about,
3 like, you know, I could
4 tell you all the intricacies, but --

5 CORREIA: That's what I mean. You're --

6 Victim-7 -- I -- but this --

7 CORREIA: -- a bright guy. (U/I) conversation.

8 Victim-7 But this is all -- this is new stuff
9 to me. That's why I'm asking stupid questions.

10 CORREIA: No. I don't -- no, there's no --
11 listen, I was joking when I said that, my friend.

12 Victim-7 No, I know, bro. Go ahead.

13 CORREIA: I'm not -- I have great respect for
14 what you're doing and what you do. I'm happy to answer any
15 question you have.

16 So the answer to your question is out of 250 if
17 we were only raising -- if we were a startup company and we
18 had an idea and we said, hey, we think that the valuation
19 for the company is \$1 million and we have a good idea but
20 we don't have anything really in place, and we certainly
21 don't have a Attorney-1 We don't (U/I) business. We don't
22 have any direction. We don't have anything. Then somebody
23 putting up 250, absolutely, you're correct. They get 25
24 percent of the company at \$1 million valuation. But the
25 fact that -- Attorney-1 is not signing on to an idea,

1 Attorney-1 is signing in -- on to the fact that we have built
2 underwriting and scoring systems and algorithms that have
3 blown their minds that insurance companies have decided to,
4 for the first time in history of the United States --
5 actually globally, ever decided to engage in covering fraud
6 in the investment world. So there's a tremendous amount of
7 work that's being done and, I mean, I can't even explain to
8 you. The -- it's a significant amount of time and effort.
9 You know, I've been through, gosh, I don't know how many --
10 probably a dozen or more insurance carriers. Probably been
11 the (U/I) -- I don't know how many times, you know, U.S.
12 carriers, London-based carriers -- you know, we've done an
13 awful lot of work to get to this point. So that's, that's
14 why.

15 So right now, you wouldn't normally figure out
16 what somebody's percentage is based on the current rates
17 because then -- let's say you came in -- let's use your
18 example and say that today we, we were just brand new and
19 we decided we're going to raise \$1 million and the
20 valuation is one million, so (U/I) put in 250 each,
21 everyone has 25 percent. Now, if we were to go in and say,
22 okay, we're going to do another round of financing. Let's
23 say we used that money appropriately, we get the valuation
24 because we've, we've added valuation through either (U/I)
25 or whatever it may be, right, and we all of a sudden now

1 say, hey, the company is worth \$5 million. Well, now, if
2 we go out at that point and raise \$1 million and somebody
3 puts in \$1 million at that point, then they're going to
4 say, well, you know, shouldn't I get x percentage of the
5 company, and then you would say no because (U/I). Let's
6 say we're at a \$5 million valuation and we're raising
7 \$2 million and he says, well, I'm putting up a million but
8 you're only raising two. I should get 50 percent of the
9 company. And you would say, well, no. I mean, we put the
10 original \$1 million, so we took the most amount of risk.
11 We used that appropriately; we ran the company properly; we
12 raised the valuation from one million to five million. We
13 added all that value. So if you put in \$1 million in a \$5
14 million valuation, you'd get 20 percent of the company, you
15 wouldn't get half just because we're choosing to raise two
16 million right now. That doesn't make sense to the original
17 shareholders (U/I).

18 [REDACTED] Victim-7 I got it. All right.

19 CORREIA: (U/I). That's kind of --

20 [REDACTED] Victim-7 Listen, I got it.

21 CORREIA: That's kind of the rationale.

22 [REDACTED] Victim-7 I got it.

23 CORREIA: (U/I).

24 [REDACTED] Victim-7 Listen, I'm, I'm really leaning
25 towards taking this ride with you guys because I got a

1 feeling -- look, I'll be very straight with you. You know,
2 I really like Lev. You know, I know him since Israel and
3 he seems to be --

4 CORREIA: Oh, I know.

5 [Victim-7] -- a real standup guy. You know, he
6 seems to be a real standup guy and I've done my due
7 diligence checking him out and I've come across a couple of
8 things that I like, a couple of things that are kind of
9 funny, and one or two things were not too funny. But, but
10 he seems to be a guy who knows what the hell he's doing.
11 And if --

12 CORREIA: Oh, for sure.

13 [Victim-7] -- [Attorney-1] wasn't part of this
14 thing, I probably wouldn't do it. You know what I'm
15 saying? But I think that if you're --

16 CORREIA: No (U/I).

17 [Victim-7] If you're telling me that [Attorney-1]
18 is definitely on board with this thing and he's not going
19 to back out and I'm going to be standing here wishing that
20 I had never had this conversation, I'm good. So I'm
21 getting your assurance that [Attorney-1] is definitely in with
22 this thing without a problem?

23 CORREIA: Absolutely, 100 percent. In fact, Lev
24 even told me that when he spoke to you, I mean, we
25 literally -- you know, we just consummated our final

1 agreement and did everything with him. So we actually are
2 planning on sending him a payment. So you, you can
3 literally send your, your money -- you have to fill out the
4 paperwork --

5 [Victim-7] Right.

6 CORREIA: -- but you literally can send it
7 directly to [Attorney-1] and it'd be -- all I would
8 request is that in the memo line you just put --

9 [Victim-7] All right.

10 CORREIA: -- credited toward or to Fraud
11 Guarantee Holdings. So there's no, there's no, there's no
12 messing around here.

13 [Victim-7] All right. Not a problem. Look --

14 CORREIA: And then once you're onboard, I'm
15 happy to have you -- you can have -- you know, (U/I).

16 [Victim-7] Yeah. Listen, I, listen, I got to
17 tell you something. You know, look, I see this thing as,
18 as a baseline for much bigger things to come, and I
19 absolutely love Lev for wanting to include me in this
20 thing, because, you know, we just hit it off. I don't know
21 what happened between the two of us, but --

22 CORREIA: He, he said the same thing, yeah.

23 [Victim-7] Yeah, we hit it off, and he was
24 trying to get me to come to Odessa with the jet and I, and
25 I'm like, listen, man, I can't go. I gotta get back home.

1 He's like, no, you don't understand. We have hotel. Igor
2 (ph.), Igor has hotel, big hotel on the water. I was like,
3 yeah, listen, I gotta go home Lev, man. The fuck is wrong
4 with you?

5 CORREIA: I know. He's -- there's something
6 wrong there. Let me tell you.

7 Victim-7 All right. And I'm gonna see you at
8 the (U/I) next week anyway. I understand his wife's in the
9 hospital now. She's waiting for --

10 CORREIA: Yeah.

11 Victim-7 -- waiting for the (U/I). I'll meet
12 you within a week or so.

13 CORREIA: (U/I).

14 Victim-7 So, listen -- so this convertible
15 note that I'm looking at has --

16 CORREIA: We met already, remember?

17 Victim-7 No, I don't. When did we meet?

18 CORREIA: Yeah. We met at the hotel. We met
19 (U/I).

20 Victim-7 Oh, yeah. You were at the hotel. I
21 knew you, I knew you were familiar. For crying out loud.

22 CORREIA: Yeah, yeah, man.

23 Victim-7 Okay. Now I know who you are.

24 CORREIA: Absolutely.

25 Victim-7 Please, please forgive me. It

1 didn't -- you know --

2 CORREIA: No. It's okay.

3 Victim-7 That day, that day I was --

4 CORREIA: We all may have been (U/I).

5 Victim-7 I was coming from [REDACTED]

6 [REDACTED] case

7 and I came there in the middle of the -- because I wanted

8 to see Lev and give him a hug and my head was where it

9 needed to be on my business at the time. So forgive me.

10 CORREIA: Oh, I'm with you. No, no problem at

11 all. No problem at all.

12 Victim-7 All right. So listen --

13 CORREIA: I enjoyed meeting you very much.

14 Victim-7 This is what I want you to do. The,

15 the -- whatever papers that I have to sign with all of the,

16 you know, the actual figures in it and everything else, I

17 need -- I'm going to -- I'm guessing you want to do this

18 with a wire transfer? I'm going to tell you something.

19 Listen, I did a wire transfer for, like, \$20,000 a couple

20 of weeks ago and I got defrauded. It went to somebody

21 else's account, they stole my money, and the shit that I

22 had to go through to, to get this money --

23 CORREIA: Oh, my God.

24 Victim-7 Oh, you have no idea, man. Bad.

25 And I got --

1 CORREIA: Was it a bank mistake?

2 Victim-7 Listen, it was somebody who hacked
3 into the, the receivers email account and then sent me a
4 bogus email saying don't send me a check, send it to this
5 email address. I gave it to my lawyer who took it out of
6 his escrow account, sent it out, and then the guy calls me
7 up six days later and he goes, Victim-7, what happened to
8 the check? I was like, you're kidding me, right? What
9 check are you talking about? You told me to send an email.
10 So but what happened was somebody --

11 CORREIA: Oh, my God.

12 Victim-7 Yeah, man. It's bad. I'm telling
13 you. I'm really afraid of wire transfers. So what
14 happened was, the bank, the bank who -- where the email
15 went to opened up a corporate account without corporate
16 papers. So we were able to get \$15,000 back because the
17 same swindler was swindling somebody else and grabbed his
18 money, and I've got \$5,000 that Wells Fargo is going to pay
19 me, otherwise I'm going to go down and strangle somebody.
20 And it's only 5,000, but listen, what if it was \$1 million?

21 CORREIA: (U/I).

22 Victim-7 You know?

23 CORREIA: It's a lot of money, man. It's five
24 grand you worked for.

25 Victim-7 Yeah. Listen, man. Honest to God,

1 man, it was just, it was just --

2 CORREIA: (U/I) today's day and age, I agree
3 with you. In today's day and age with technology and the
4 things they can do cyber-wise, it's crazy. But --

5 Victim-7 Can, can -- let me ask you a
6 question.

7 CORREIA: -- I can pretty much assure you --

8 Victim-7 Can I, can I send a check instead of
9 a wire transfer?

10 CORREIA: You know, I could find out for you and
11 see if we could work that. I actually think we kind of
12 like --

13 Victim-7 I don't really care. Here's, here's
14 what you do. What you're going to do is --

15 CORREIA: (U/I) straight to (U/I).

16 Victim-7 -- get me to wire transfer -- the
17 wire transfer information. I don't see that. I see, I see
18 the note.

19 CORREIA: Okay.

20 Victim-7 I see the note. I see the packet
21 that they had given me, but I don't see --

22 CORREIA: It should have been --

23 Victim-7 -- the wire transfer information.

24 CORREIA: Okay.

25 Victim-7 So get, get that to me.

1 CORREIA: Yes, I will (U/I).

2 Victim-7 And I would like, I would like you
3 to fill out the rest of the note with the \$250,000 amount
4 in it and --

5 CORREIA: Okay.

6 Victim-7 -- and I'll -- give it to me, send
7 it to me tomorrow, I'll sign it and send it back and I'll
8 get the money out and let's, let's go make some money,
9 brother.

10 CORREIA: I'm very glad to have you on board,
11 buddy.

12 Victim-7 Yeah, me too.

13 CORREIA: I'm very glad Lev thought to invite
14 you. Any (U/I). I mean, literally, I'm here available
15 24/7. So any time you just even think of an idea as a
16 member, you know -- once you learn more about the product,
17 just -- I'm available 24/7.

18 Victim-7 Did, did you see that movie Blow?

19 CORREIA: You know, I didn't but I heard about
20 it.

21 Victim-7 You gotta see it. There's a part
22 there where --

23 CORREIA: (U/I) told me to watch that.

24 Victim-7 -- basically, there's this part
25 there where they got this new pilot and the pilot's going

1 to be flying in this thing and the guy looks at him and he
2 goes, listen, he goes, there's no dealing without your
3 kids' pictures. Where do they go to school?

4 CORREIA: Oh, geez.

5 Victim-7 And the guy's looking at him and he
6 goes, hey, Mr. Joseph, don't forget the pictures of your
7 kids.

8 CORREIA: Oh, my God.

9 Victim-7 All right, brother.

10 CORREIA: That's great. I will have to watch
11 that.

12 Victim-7 Listen, so send that to me and I'm
13 going tomorrow --

14 CORREIA: (U/I).

15 Victim-7 I'm going to the synagogue in the
16 morning, in the morning, so I want to tell you that if this
17 things is not good, I'm going to put the power of the
18 Messiah on you.

19 CORREIA: Oh, my God. Please. No worries, my
20 friend.

21 Victim-7 All right, brother. I'll talk --

22 CORREIA: So I will -- but they should -- my
23 apologies if there weren't. There should have been four
24 attachments. There should have been the note, there should
25 have been the promissory note, and there should have been

1 the packet I gave you, which is very proprietary so keep
2 that with you, and then the -- there should have been wire
3 instructions. But I will resend it all to you.

4 [Victim-7] All right, great. And, and --

5 CORREIA: (U/I).

6 [Victim-7] -- but do me a favor, just, just
7 send that convertible promissory note that's I'm signing
8 with the amount --

9 CORREIA: Yeah.

10 [Victim-7] -- already in it so I don't have to
11 like fill in anything with my hands --

12 CORREIA: I will, I will.

13 [Victim-7] -- or whatever.

14 CORREIA: Yep. And just sign them up.

15 [Victim-7] All right, bro. Listen --

16 CORREIA: And I'll send you the wire stuff, and
17 then you and I can chat tomorrow and make sure if you need
18 any questions and then I can just confirm with [Attorney-1]
19 that they got everything and I'll make sure you get the
20 confirmation so you're not worried.

21 [Victim-7] All right. Fabulous, man. Best of
22 luck to all of us.

23 CORREIA: (U/I) best.

24 [Victim-7] All right, man.

25 CORREIA: Thank you so much, buddy.

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Victim-7 My pleasure.

CORREIA: Pleasure. Welcome aboard.

Victim-7 Thanks, man. Bye bye.

CORREIA: Thanks, buddy. Bye.

(End of recording.)